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RUCNRAQ/IRAQ COLLECTIVE PRIORITY

C O N F I D E N T I A L KUWAIT 004502

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TAGS: PREL PGOV KU IZ

SUBJECT: KUWAIT-IRAQ BORDER TALKS CONCLUDE SUCCESSFULLY

Classified By: Ambassador Richard LeBaron for reasons 1.4 (b) and (d)

¶1. (C) Summary: Iraqi and Kuwaiti delegations both gave positive assessments of three days of talks on border and security issues. The two sides agreed to a compensation scheme allowing the construction of a security road and fence through the northern border area at Um Qasr. They also agreed a joint mechanism to address border security incidents and maritime border protocol issues. They began discussions about shared oil fields, and agreed to develop technical proposals. The Iraqi delegation, pointing to disarray in the Prime Minister's office, noted that follow-up will not be easy. End Summary.

¶2. (C) Kuwait and Iraq on November 21 finished three days of meetings on outstanding border and security issues. The Iraqi delegation was led by MFA U/S Mohammed Hamoud. In a meeting with PolCouns after the talks concluded, Hamoud said the atmosphere was positive and constructive throughout. He said the sides were able to resolve a number of contentious issues and made progress on others. Kuwaiti MFA U/S Khalid Jarallah echoed that assessment in a conversation with Ambassador, calling the talks "wonderful" and praising the "practical" approach of the Iraqis.

Border Security, Compensation Issues Resolved

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¶3. (C) According to Hamoud, the two sides agreed on a border security project which includes the development of a security road and fence through the Um Qasr area, a project that will displace dozens of residents in the town, and will effect several farms in outlying areas. The sides agreed on a joint compensation scheme that would pay around USD 1.7 million to the Iraqis living in the path of the security strip. The sides further agreed to a mechanism for regular meetings of the existing joint border security committee to address the type of small-scale border security incidents, possibly connected to smuggling, that have increased over the past several months. Maritime border issues were addressed as well, including security and protocol procedures for Iraqi-flagged vessels in Kuwaiti waters. Hamoud said the protocol procedures, including the issue of flying Iraqi flags in Kuwaiti waters, will be referred to an independent expert for legal advice.

Joint Oil Fields To Be Addressed

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¶4. (C) In addition to the security issues, the two sides began discussions aimed at addressing Iraqi complaints over Kuwaiti oil extraction from four cross-border fields, including the Ratqa field. According to Hamoud, the Iraqis are concerned that Kuwaiti continues production in these fields while Iraq remains unable exploit them. Hamoud said the sides agreed to meet again in one month with specific technical proposals.

¶5. (C) Both Jarallah and Hamoud separately expressed concern about Iraqi follow-up on these agreements. Hamoud warned the Kuwaitis that follow-up will not be easy, given the disarray in the GOI. Hamoud told PolCouns the MFA well understands how important the Iraq-Kuwait relationship is as a gateway to the Gulf, and appreciates that Kuwait, perhaps more than others in the GCC, is ready to move forward. Iraq needs to get an Ambassador to Kuwait, he added, but nominations remain held up in the Prime Minister's office. Hamoud identified the PM's office as a roadblock to progress on a host of issues the MFA needs to deal with. "There is no leadership, and people around the Prime Minister are ignorant - they know nothing and can do nothing," he complained. Hamoud, a long-serving diplomat and expert on international law, bemoaned the inability of technocrats like himself to do their jobs, given political uncertainties in Baghdad. He said FM Zebari's upcoming month-long travel stint during which Hamoud will have day-to-day responsibilities for running the MFA, will be a particular challenge: "I don't know how I will get anything done with these people," he said. "We will need your help in Baghdad."

LeBaron